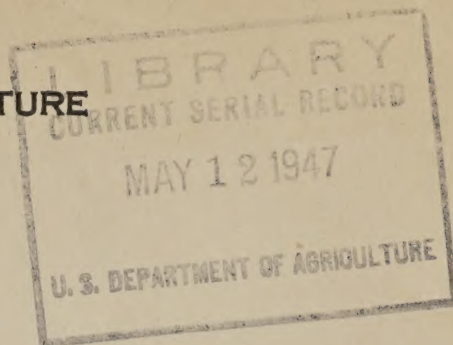




DEPARTMENT OF AGRICULTURE
WASHINGTON



January 15, 1947

The President Pro Tempore
United States Senate

Dear Mr. President:

Herewith is a report of the operation of the Agricultural Conservation Program for the fiscal year ending June 30, 1946.

Inasmuch as the Field Service Branch of the Production and Marketing Administration, State Production and Marketing Administration Committees, and County and Community Committees of elected farmers are responsible, within their respective areas, for field administration of additional programs, a brief discussion of their activities has been included in the report.

A detailed statistical report of soil and water conservation practices carried out by farmers since the inception of the program in 1936 is attached as an appendix to the report.

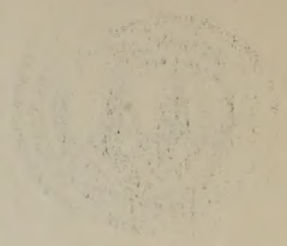
Sincerely yours,

CLINTON P. ANDERSON

Enclosure

Secretary

(A similar letter of transmittal went to The Speaker,
House of Representatives.)



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THE AGRICULTURAL CONSERVATION PROGRAM

**A Report of Activities
Including a Financial Report
For the Fiscal Year 1946**

**UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
February 1947**

THE AGRICULTURAL CONSERVATION PROGRAM

A report of activities
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for the fiscal year 1948

UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
February 1949

UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration

A REPORT OF AGRICULTURAL CONSERVATION PROGRAM ACTIVITIES,
INCLUDING A FINANCIAL REPORT
FOR THE FISCAL YEAR 1946

Agricultural Conservation Program

The agricultural conservation program is helping farmers and ranchers to restore the gains -- lost during the war -- in conserving soil and water. Authorized by the Soil Conservation and Domestic Allotment Act of 1936, as amended, the program during 1945 reached more than 2,960,000 farms and ranches, which embraced 68 percent of the country's cropland. Participation decreased somewhat from that in the previous year, largely as a result of shortages in labor, machinery, and the materials necessary to carry out the practices.

Congress appropriated \$342,658,000 for the 1945 program, including \$12,500,000 for special payments to encourage the harvesting of badly needed legume and grass seeds, \$29,750,000 to encourage the planting of flaxseed, and \$408,000 to measure acreages for burley tobacco allotments. Appropriations for the 1946 program included \$313,646,000 for the agricultural conservation program, including \$12,500,000 for special seed payments, and \$1,146,000 for measuring tobacco acreages.

In 1945, farmers faced two big conservation problems: (1) Repairing the damage caused by intensified wartime cropping, and (2) resuming the long-time conservation progress under way when the war began. Conservation problems created by the war resulted chiefly from the heavy cropping and grazing. Agricultural production increased nearly a third, but the total cropland acreage remained about the same. The increase was obtained through higher yields per acre and expanded plantings of row crops such as corn, soybeans, and peanuts -- at the expense of soil-conserving small grains, hay, and pasture crops, normally rotated with soil-depleting crops. Increased planting of row crops created new erosion hazards.

Practices approved for the national 1946 program have these objectives:

- (1) To maintain or increase soil fertility;
- (2) to control and prevent erosion;
- (3) to conserve and make better farm use of water;
- (4) to conserve and increase range and pasture forage.

To fit the program closer to the conservation problems of each locality, greater responsibility for developing local programs has been given to the farmer committees. Nearly all States adopted a "county conservation budget" plan of operation for 1946. This plan gives county committeemen more leeway in selecting the practices eligible for assistance and in allocating assistance among individual farms. For 1947, a new provision will permit county committees to use part of their budgets for locally-needed practices, even though not included in the regular State list of practices. These local practices must be approved by the State committee and meet the objectives set for the practices included in the national program.

The delegation of more authority to county committees has stimulated local initiative. In Nebraska, for example, several county committees promoted the construction of more livestock water dams under the 1946 program by bringing the contractor and the farmer together. The committees sought out farmers who wanted dams built under the program and encouraged local contractors to purchase heavy dirt-moving equipment to do the work. Enough dams were laid out to make the venture profitable for all parties.

In every State, the elected farmer-committeemen helped their neighbors work out individual farm plans for conservation practices.

Types of practices in the 1946 program are as follows:

1. Application of lime, phosphate, and other materials to restore plant food and humus.
2. Use of green-manure and cover crops to protect soils from water and wind erosion, and to restore plant food and add organic matter.
3. Control of erosion and conservation of water (contour farming, strip-cropping, terracing, protective summer fallow, dam and pond construction, tile and ditch drainage, irrigation system improvement.)
4. Improvement of range and pasture lands.
5. Harvesting of legume and grass seeds.
6. Control of noxious weeds, improvement of forest, clearance of land, and other miscellaneous practices.

Progress made in conservation farming under the agricultural conservation program between 1938 and 1945 is illustrated by the following tabulation:

Practice	Percentage of increase in volume of practices carried out, base year 1938
Application of limestone	326
Use of fertilizer on grasses and legumes	503
Field strip-cropping	854
Contour farming of intertilled crops	126
Construction of grassed waterways to prevent erosion . . .	5400
Use of green-manure and cover crops.	65
Construction of dams and ponds	126

The only decrease indicated for a major practice was a reduction of 35 percent in the establishment of terraces. The main reason for this reduction was the shortage of machinery.

During the year the State Production and Marketing Administration committees, in cooperation with State technical committees and soil specialists at land-grant colleges and State experiment stations, estimated the work and materials that need to be applied annually to the Nation's farm and ranch land to put it on a sound conservation basis. The totals, and the figures showing practices carried out under the 1945 program are shown in the following table:

Estimated annual need for major agricultural conservation practices in the United States, compared with practices performed under the 1945 agricultural conservation program.

Practice	Quantity Unit	Total annual need	Carried out in 1945 (Preliminary)
Ground limestone	tons	59,492,000	21,337,826
Application of Phosphate to conserving crops (basis 20 percent P_2O_5)	tons	13,443,000	2,400,549
Field strip-cropping	acres	27,551,000	6,074,768
Seeding or reseeding permanent pastures	acres	83,549,000	4,209,480
Legume and nonlegume green-manure and cover crops	acres	98,970,000	18,859,982
Contouring intertilled and drilled crops	acres	90,761,000	17,259,821
Protecting summerfallow	acres	22,721,000	14,030,913
Deferred grazing noncrop pasture and range and grazing management	acres	394,049,000	87,769,768

Price Supports

Again this year, the State and county committees administered commodity loans with Commodity Credit Corporation funds and carried out purchase programs when these were required to make good on price commitments. In June 1946, the county committees were authorized to purchase fruits and vegetables from growers or eligible dealers to carry out price-support guarantees. The committees purchased, mostly in Oregon, about 2½ million pounds of cover-crop seeds from the 1944 and 1945 harvests. The seeds included hairy vetch, Willamette vetch, common ryegrass, and crimson clover. In 1945, most of the cover-crop seeds moved through commercial channels.

Naval Stores

The 1946 naval stores conservation program, for which funds are made available from the appropriation for administration of the Soil Conservation and Domestic Allotment Act, was developed cooperatively by the Production and Marketing Administration and the Forest Service of the Department. The program encourages the conservation of timber resources and stimulates production of gum naval stores. The Forest Service is responsible for its administration in the field. Participating in the program were approximately 2,500 turpentine farmers in the Southern States, who represented 85 percent of the total gum naval stores production. For complying with approved turpentine practices, farmers were paid 1 cent per working face. The 1946 program was planned within funds of about \$900,000.

Marketing Quotas

Marketing quotas were in effect during 1946 on four types of tobacco -- burley, flue-cured, fire-cured, and dark air-cured. (The quota for an individual farm is the actual production from the acreage allotted to that farm. Penalties are assessed on tobacco marketed in excess of the quota for that farm.)

Flue-cured and burley farm acreage allotments for 1946 were the same as for 1945 except that, owing to the supply situation, all flue-cured allotments were increased 10 percent and all burley allotments were reduced 10 percent. Acreage allotments for fire-cured and dark air-cured farms were established in 1945 for the first time since 1943. The allotments were based on marketings from the farms during the preceding 5 years, consideration being given to adjustment factors provided by law.

Quotas for any crop can be applied only after approval by at least two-thirds of the growers voting in a referendum. In a referendum in October 1945, 90.8 percent of the fire-cured growers and 96.1 percent of the dark air-cured growers favored the application of quotas for 3 years.

In administering marketing quotas in the 1945 crop year, county and community committeemen established acreage allotments and normal yields for 539,894 farms, notified farmers of their allotments, determined the acreage actually planted on each farm, estimated the production on those farms where planted acreages exceeded farm allotments, issued marketing cards to identify the tobacco marketed from each farm, and reviewed the records of marketings from each farm.

Penalties collected on the 1945 crop amounted to \$3,852,210. The average annual collection of penalties from 1938 through 1945 was \$1,181,982.

Special Seed-Harvesting Payments

The regular agricultural conservation program includes payment for the harvesting of specified legume and grass seeds. In addition, each year since 1944 Congress has appropriated a supplemental fund of 12½ million dollars to provide further incentives to production and harvesting in order to meet a threatened shortage of legume and grass seeds badly needed in this country and Europe.

This special appropriation permitted payment of up to \$3.50 an acre for harvesting seeds of alfalfa, red clover, and alsike. For these three, seed payments could be earned in 1944 and 1945 (calendar years) on an unlimited acreage; for other seeds the acreages were limited.

In addition, payments of 3½ cents a pound for red clover seed and 2½ cents a pound for alfalfa and alsike seeds were made in 1944 and 1945 (calendar years) to encourage early movement of these seeds into commercial channels. In 1946, (calendar year) the poundage payments were 9 cents for red clover seed and 7 cents for alfalfa and alsike seeds.

In 1945, (calendar year) second year of the special seed program, harvested acreages of the three seeds were: Red clover, 2,156,500 acres - 94 percent more than in 1942; alfalfa, 835,400 acres - 38 percent more; and alsike, 142,000 acres - 59 percent more.

Production of the three seed crops in 1945 (calendar year) were as follows: Red clover (thresher-run seed), 101,322,000 pounds; alfalfa, 68,670,000 pounds; and alsike, 20,184,000 pounds. Compared with 1942 production, these yields showed increases of 65, 17, and 33 percent respectively.

Crop Insurance

The county and community agricultural conservation committees continued to perform certain administrative work in the field for the Federal Crop Insurance Corporation. This work included: (1) Establishing average yields and premium rates for individual farms; (2) selling insurance; (3) obtaining from insured farmers acreage reports that show the acreage seeded to the insured crop; (4) collecting premiums; and (5) reporting losses.

The largest responsibility of the State and county committees was the organization of sales activities. Sales agents were appointed and trained in each county. County committeemen and county offices also sold insurance.

Sugar Program

Under the Sugar Act of 1937, county committees performed local administrative work on the 1945-46 sugar beet and sugarcane crops for payments to about 90,000 producers in the continental United States, Hawaii, Puerto Rico, and the Virgin Islands.

Committee responsibilities included the determination of planted, abandoned, and harvested acreage; and the eligibility of growers for abandonment and deficiency payments. The committeemen also checked compliance with the labor, wage, price, and soil-conservation requirements of the act.

Production Payments

Payments on dairy, beef, sheep, and lamb production with Commodity Credit Corporation funds were handled in the field by county committees. Vital to the price-stabilization program, these payments helped producers meet higher operating costs while preventing the raising of food prices to consumers.

Farmer Committeemen in the Famine Emergency

When Production and Marketing Administration and other Department of Agriculture agencies swung into the emergency famine relief program midway in the fiscal year, State and county committees were given important roles. Contacts that existed between committeemen and farmers made the Nation-wide organization particularly effective at a time when a large volume of food for export had to be obtained quickly.

Their first assignment came when they were asked to help speed the movement of wheat from farms and to encourage farmers to market more than a normal portion of their wheat. Transportation difficulties impeded the initial response, but the movement from farms was accelerated in late spring under the spur of the certificate-bonus plan. County committees and State Production and Marketing Administration offices administered the field details of both the wheat- and the corn-purchase programs.

Another important assignment came to State Production and Marketing Administration directors and county committee chairmen in March when they were designated the State and county managers for the emergency food program. As such they helped materially in the dissemination of educational and informational materials designed to promote food conservation.

The year's food emergency affected farmer committeemen in still another way -- the development and promotion of the 1946 farm production goals. First used for all major crops and livestock in 1942, production goals have been set during each succeeding year to guide American farmers in producing for war and postwar emergency requirements. The farmer committeemen, through their familiarity with the production resources of their own States and communities, help develop the State goals. After the national goals are approved by the Secretary of Agriculture, the committeemen carry to each farmer the goals for his particular farm.

The 1946 goals, which called for another year of full production, were first established in the fall of 1945. But in February 1946 the Secretary, as a result of the famine emergency, made several important last-minute changes. Again the farmer committeemen carried the word to the farmers.

FINANCIAL REPORT ON 1945 AGRICULTURAL CONSERVATION PROGRAM 1/

Obligations incurred during the fiscal year ending June 30, 1946 in connection with the 1945 Agricultural Conservation Program, including the Tobacco Marketing Quota Program, additional payments for harvesting seeds of critically-needed grasses and legumes and flaxseed payments (from 1946 appropriation "Conservation and Use of Agricultural Land Resources") totalled \$346,713,000, as follows:

Conservation Payments

1945 State Program	\$219,240,000
1945 Additional seed payments.	10,606,000
1945 Insular Program	548,000
1945 Naval Stores Program.	<u>674,000</u>
Subtotal, Conservation Payments	\$231,068,000
Flaxseed Program Payments on	
1945 crop	22,455,000
Total payments to farmers	253,523,000

Operating Expenses

County agricultural conservation	
association	17,519,505
State and National	<u>7,352,864</u>
Total operating expenses.	24,872,369

Loans received from Commodity Credit Corporation, loans repaid Commodity Credit Corporation, trans- fers from program funds to cooperating agencies and adjustments necessary to convert from program basis to fiscal year appropriation basis	<u>68,317,631</u>
Total obligations	346,713,000

Unobligated balance applicable to special appropriations for additional seed and flax payments	<u>8,945,000</u>
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Total appropriation.	<u>\$355,658,000</u>
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1/ This report only covers the appropriation "Conservation and Use of Agricultural Land Resources." The activities of the Field Service Branch extend to programs other than the Agricultural Conservation program and involve other funds such as those made available under the Sugar Act. These other program activities are not included in this report.

Estimated Gross Payments - 1945 Agricultural Conservation Program

State and Region	P A Y M E N T S - \$1,000					Total
	ACP Program	Spec.Seed	Flax	NavalStores		
Maine	\$ 883	\$ -	\$ -	\$ -	\$ -	883
New Hampshire	339	-	-	-	-	339
Vermont	1,027	-	-	-	-	1,027
Massachusetts	784	-	-	-	-	784
Rhode Island	87	-	-	-	-	87
Connecticut	511	-	-	-	-	511
New York	6,641	40	-	-	-	6,681
New Jersey	1,279	-	-	-	-	1,279
Pennsylvania	5,763	187	-	-	-	5,950
Northeast - Total	17,314	227	-	-	-	17,541
Illinois	9,736	1,003	6	-	-	10,745
Indiana	6,123	555	5	-	-	6,683
Iowa	12,577	1,580	469	-	-	14,626
Michigan	5,804	708	38	-	-	6,550
Minnesota	7,402	791	6,335	-	-	14,528
Missouri	8,487	586	71	-	-	9,144
Nebraska	7,285	428	6	-	-	7,719
Ohio	6,324	862	1	-	-	7,187
South Dakota	3,896	103	2,370	-	-	6,369
Wisconsin	8,710	998	41	-	-	9,749
North Central-Total	76,344	7,614	9,342	-	-	93,300
Delaware	654	3	-	-	-	657
Maryland	2,048	52	-	-	-	2,100
Virginia	4,787	17	-	-	-	4,804
West Virginia	1,969	5	-	-	-	1,974
North Carolina	5,648	7	-	-	-	5,655
Kentucky	9,874	70	-	-	-	9,944
Tennessee	7,941	6	-	-	-	7,947
East Central-Total	32,921	160	-	-	-	33,081
Alabama	4,538	-	-	45	-	4,583
Arkansas	4,065	-	-	-	-	4,065
Florida	2,093	-	-	175	-	2,268
Georgia	4,442	-	-	430	-	4,872
Louisiana	2,640	-	-	3	-	2,643
Mississippi	5,082	-	-	16	-	5,098
Oklahoma	6,143	314	136	-	-	6,593
South Carolina	2,339	-	-	5	-	2,344
Texas	19,522	120	346	-	-	19,988
Southern - Total	50,864	434	482	674	-	52,454
Arizona	985	215	83	-	-	1,283
California	7,551	182	607	-	-	8,340
Colorado	4,436	59	-	-	-	4,495
Idaho	1,962	357	3	-	-	2,322
Kansas	6,715	517	735	-	-	7,967
Montana	3,581	357	2,311	-	-	6,249
Nevada	318	6	-	-	-	324
New Mexico	2,879	67	-	-	-	2,946
North Dakota	4,180	68	8,873	-	-	13,121
Oregon	2,582	178	3	-	-	2,763
Utah	1,047	126	-	-	-	1,173
Washington	3,453	21	4	-	-	3,478
Wyoming	2,108	18	12	-	-	2,138
Western - Total	41,797	2,171	12,631	-	-	56,599
Subtotal	219,240	10,606	22,455	674	-	252,975
Insular	548	-	-	-	-	548
Total	219,788	10,606	22,455	674	-	253,523

This is to supersede ACP-1947-2 issued January 14, 1947

Issued January 28, 1947

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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
Field Service Branch

1947 - National Agricultural Conservation Program

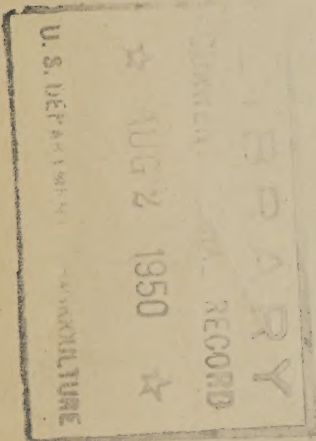
Supplement #2

The 1947 Agricultural Conservation Program is amended to read as follows:

Section 1 is amended by adding at the end of paragraph (a) thereof the following:

"Subject to action by the Congress as stated in Section 12 (b), the allocation of funds among the states is as follows:

<u>State and Region</u>	<u>1947 Allocation</u>
Maine	\$ 998,000
New Hampshire	418,000
Vermont	867,000
Massachusetts	748,000
Rhode Island	86,000
Connecticut	486,000
New York	5,258,000
New Jersey	973,000
Pennsylvania	4,773,000
Northeast Reg.	14,607,000
Illinois	9,249,000
Indiana	6,044,000
Iowa	9,628,000
Michigan	6,044,000
Minnesota	7,656,000
Missouri	9,339,000
Nebraska	7,845,000
Ohio	7,399,000
South Dakota	6,351,000
Wisconsin	6,857,000
North Central Reg.	76,412,000
Delaware	447,000
Maryland	1,746,000
Virginia	4,476,000
West Virginia	2,240,000
North Carolina	6,416,000
Kentucky	7,451,000
Tennessee	6,359,000
East Central Reg.	29,135,000



<u>State and Region</u>	<u>1947 Allocation</u>
Alabama	\$ 5,699,000
Arkansas	5,411,000
Florida	2,497,000
Georgia	6,158,000
Louisiana	3,742,000
Mississippi	6,462,000
Oklahoma	7,459,000
South Carolina	3,822,000
Texas	19,788,000
 Southern Reg.	 61,038,000
 Arizona	 1,717,000
California	6,284,000
Colorado	3,927,000
Idaho	2,115,000
Kansas	8,987,000
Montana	4,813,000
Nevada	306,000
New Mexico	2,621,000
North Dakota	6,669,000
Oregon	2,895,000
Utah	1,221,000
Washington	3,286,000
Wyoming	1,967,000
 Western Reg.	 46,808,000

The apportionment shown above does not include the amounts set aside for administrative expenses, the amounts required for size of payment adjustments in Sections 4 and 5, and the amounts set aside for the Insular Agricultural Conservation Program (11 F. R. 9327) and the Naval Stores Conservation Program (11 F. R. 13246). The Director of the Field Service Branch may make adjustments in the allocations above by transferring any funds that will not be used in a State to other States where additional funds can be used to effectuate the purposes of the program and shall allocate among the States the amount of \$4,686,372 withheld as a reserve for contingencies and adjustments." (49 Stat. 1148, 16 U. S. C. and Sup., 590g-590q.)

Done at Washington, D. C.,
this 14th day of January 1947.
Witness my hand and the seal of the
Department of Agriculture.

Secretary's Records
(signed)

Clinton P. Anderson

Secretary of Agriculture